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*Former Counsel to the Official Committee of
Unsecured Creditors*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

VOYAGER DIGITAL HOLDINGS, INC., *et al.*,

Debtors.¹

Chapter 11

Case No. 22-10943 (MEW)

(Jointly Administered)

**RESPONSE OF MCDERMOTT WILL & EMERY LLP
TO THE LETTER FILED BY BENJAMIN TOLEDANO**

McDermott Will & Emery LLP (“McDermott”),² former counsel to the Official Committee of Unsecured Creditors (the “Committee”) appointed in these chapter 11 cases, files this response (the “Response”) to the letter submitted by Benjamin Toledano (the “Letter”) at Docket No. 1570. In support of this Response, McDermott respectfully states as follows:

¹ The Wind-Down Debtor in these chapter 11 cases, along with the last four digits of each Wind-Down Debtor's federal tax identification number, are: Voyager Digital Holdings, Inc. (7687); Voyager Digital Ltd. (7224); and Voyager Digital, LLC (8013). The service address for purposes of these chapter 11 cases is 27777 Franklin, Suite 2500, Southfield, MI 48034.

² Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Final Fee Application.

RESPONSE

1. On July 3, 2023, McDermott filed its *Third Interim and Final Fee Application of McDermott Will & Emery LLP, Counsel to the Official Committee of Unsecured Creditors, for (I) the Third Interim Fee Period from March 1, 2023 through May 18, 2023 and (II) the Final Fee Period from July 22, 2022 through May 18, 2023* [Docket No. 1522] (the “Final Fee Application”). As set forth in the Final Fee Application, McDermott seeks final approval of \$16,481,771.20 in compensation for services provided from its retention to the Effective Date of the Plan. The Letter objects to approval of this compensation, stating that any such fees should be withheld pending the conclusion of an investigation.³

2. On February 7, 2023 the Court held a hearing in response to the first interim fee applications filed by the professionals in these chapter 11 cases. A number of *pro se* creditors filed responses to such applications⁴ requesting that an independent fee examiner be appointed to review subsequent fee applications filed in the chapter 11 cases and prepare reports with respect to same. After the Court granted the *pro se* creditors’ request, the Court appointed Lori Lapin Jones, Esq. (the “Fee Examiner”) as the independent fee examiner.⁵

3. Pursuant to the Fee Examiner Order, it is the Fee Examiner’s mandate to “review and assess all Applications filed by Retained Professionals . . . and the fees and reimbursement

³ In addition to objecting to the Final Fee Application, the Letter includes generalized requests for relief that do not relate to the matters set for hearing on September 13, 2023. Given that these requests do not relate to the relief sought in the Final Fee Application, no response to those requests is being provided at this time. McDermott further notes that the Plan Administrator may, at an appropriate time, file a response to some or all of the other requests contained in the Letter.

⁴ See Docket Nos. 924, 962, 966, and 980.

⁵ See *Order Appointing Independent Fee Examiner and Establishing Related Procedures for the Review of Fee Applications of Retained Professionals* [Docket No. 1277] (the “Fee Examiner Order”).

of expenses for which allowance is sought . . .”⁶ This assessment includes reviewing and assessing interim and final applications for compensation for compliance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules, and applicable guidelines for compensation.⁷

4. In fulfilling these obligations, the Fee Examiner filed two examiner’s reports (the “Fee Examiner Reports”) in connection with the second interim fee applications and the final fee applications filed by the Retained Professionals.⁸ The Fee Examiner Reports provide demonstrative investigative findings of the Fee Examiner that support the awarding of compensation and reimbursement as reasonable under the Bankruptcy Code. The Fee Examiner Reports further demonstrate the careful assessments conducted by the Fee Examiner that have resulted in aggregate compensation reductions of the Retained Professionals’ fees and expenses in excess of \$1,000,000 as a result of both voluntary reductions and as recommended by the Fee Examiner.

5. In connection with the Fee Examiner Reports, McDermott voluntarily reduced the total amount of compensation sought by an aggregate of \$191,381.80.

6. In the Letter, Mr. Toledano requests that professional fees should be withheld pending an independent investigation into the professional fee requests. However, as explained above, an investigation by an independent party has already taken place. A second independent investigation is not warranted and is an unnecessary duplication of efforts.

⁶ *Id.* at 7.

⁷ *Id.*

⁸ See Docket Nos. 1425 and 1568.

CONCLUSION

WHEREFORE, McDermott requests that the Court overrule the relief sought in the Letter and enter an order allowing the total amount of compensation sought in the Final Fee Application (subject to the reductions agreed to pursuant to the Fee Examiner Reports) as reasonable under the Bankruptcy Code.

Dated: New York, New York
September 11, 2023

MCDERMOTT WILL & EMERY LLP

/s/ Darren Azman

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